

STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

Office of Labor Relations

February 6, 2012

Mr. Garey E. Colman
Clerk of the Senate
State Capitol
Hartford, CT 06106

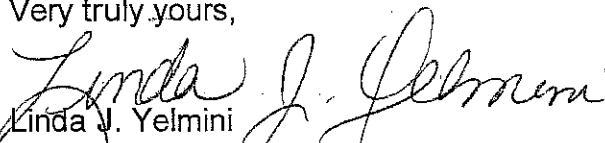
SUBJ: **An AGREEMENT** between the State of Connecticut and the The State Employees Bargaining Agent Coalition (SEBAC). The State Employees Retirement System (SERS).

Dear Mr. Colman:

In accordance with Section 5-278(b) of the Connecticut General Statutes, the Office of Labor Relations hereby files with the Clerks of the House of Representatives and of the Senate, an Agreement between the State of Connecticut and SEBAC on behalf of their Bargaining Unit members. This Agreement eliminates the reductions from the actuarial required contribution which are attributed to SEBAC IV and V.

Enclosed is The Office of Policy and Management's statement of the estimated costs necessary to implement the Agreement. Approval by the General Assembly is requested.

Very truly yours,

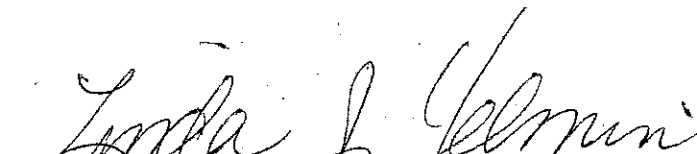

Linda J. Yelmini
Director of Labor Relations

Benjamin Barnes, Secretary, OPM
Paul Potamianos-OPM
Kevin Lembo, Comptroller
Office of Fiscal Analysis
Daniel Livingston, SEBAC

**In the Matter of the State of Connecticut
And
The State Employees Bargaining Agent Coalition ("SEBAC")**

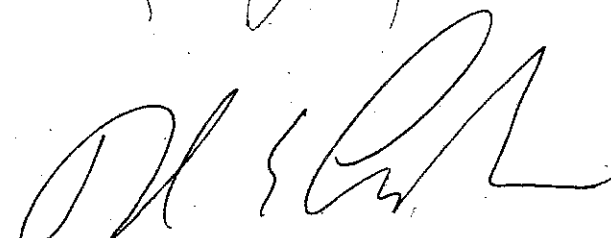
The State of Connecticut entered into discussions with the State Employees Bargaining Agent Coalition (SEBAC) to improve the funded position of the State Employees Retirement System (SERS). As a result of those discussions, effective with the 2013 fiscal year, the parties have agreed to eliminate the reductions from the actuarial required contribution which are attributed to SEBAC IV and V. The Plan's actuaries have calculated that this will result in approximately \$123,000,000 being contributed to SERS in fiscal year 2013.

The Agreement will be submitted to the General Assembly for approval as provided in CGS § 5-278.



Linda J. Yelmini, Manager of Labor Relations
State of Connecticut

2/3/2012



Daniel E. Livingston, Chief Negotiator
State Employees Bargaining Agent Coalition

2/3/2012

OFFICE OF POLICY AND MANAGEMENT
Cost Estimate of Negotiated Agreement Dated February 3, 2012

Valuation year	Fiscal Year	Total Change to Actuarially Required Contribution	General Fund	Transportation Fund	Recoveries from Other Funds
2011	2012	\$ -	\$ -	\$ -	\$ -
2011	2013	123,393,000	85,249,879	12,738,106	25,405,015
2012	2014	128,329,000	88,660,068	13,247,659	26,421,273
2013	2015	123,241,000	85,144,865	12,722,415	25,373,720
2014	2016	116,234,000	80,303,862	11,999,068	23,931,070
2015	2017	107,773,000	74,458,318	11,125,622	22,189,060
2016	2018	97,690,000	67,492,165	10,084,734	20,113,101
2017	2019	85,721,000	59,223,010	8,849,150	17,648,840
2018	2020	71,536,000	49,422,863	7,384,804	14,728,332
2019	2021	54,722,000	37,806,390	5,649,062	11,266,548
2020	2022	34,754,000	24,010,878	3,587,725	7,155,397
2021	2023	10,948,000	7,563,765	1,130,184	2,254,051
2022	2024	(17,612,000)	(12,167,796)	(1,818,122)	(3,626,082)
2023	2025	(52,194,000)	(36,059,843)	(5,388,091)	(10,746,066)
2024	2026	(94,630,000)	(65,378,069)	(9,768,844)	(19,483,087)
2025	2027	(147,722,000)	(102,058,323)	(15,249,638)	(30,414,039)
2026	2028	(216,076,000)	(149,282,803)	(22,305,958)	(44,487,239)
2027	2029	(308,091,000)	(212,854,218)	(31,804,850)	(63,431,932)
2028	2030	(441,614,000)	(305,102,722)	(45,588,696)	(90,922,582)
2029	2031	(665,487,000)	(459,772,324)	(68,699,554)	(137,015,122)
2030	2032	(1,464,442,000)	(1,011,755,153)	(151,177,277)	(301,509,570)

NOTE:

This cost estimate is based on a preliminary actuarial valuation that is anticipated to be adopted by the State Retirement Commission in February, 2012. As such, this estimate is based on current actuarial assumptions; actual pension savings will be based on revised valuations in future years.

